



King County

Exhibit D

**SPU/DNRP Ship Canal Water Quality Project
List of Potential Causes for Capital Cost Increases**

October 28, 2015

The following table provides guidance regarding agency responsibility for costs that exceed the total Project budget as defined in the Joint Project Agreement and subsequent agreed upon revisions to the total Project cost.

Potential Causes for Capital Cost Increases		Financially Responsible Agency		
		Lead Agency	Shared	Partner Agency
1.	Project delays caused by delays in obtaining land use and development permits.	X		
2.	Project delays caused by delays in obtaining environmental permits.	To be jointly determined by both Agencies.		
3.	Unanticipated permit conditions once permits are issued.		X	
4.	Higher than estimated street-use fees by the City.		X	
5.	Unanticipated environmental mitigation costs.		X	
6.	Unanticipated changes to design and construction policies and codes. (e.g. changes to green building or sustainability requirements, or equity and social justice policies) (Shared, unless applicable to only one agency)		X	
7.	Project delays caused by delays in acquiring needed sites.	X		
8.	Project cost increases due to higher than estimated site acquisition costs.		X	
9.	Unanticipated demands by local utility managers/owners.		X	
10.	Unanticipated demands by local property owners.		X	
11.	Unknown existing utility conflicts.		X	
12.	Discovery of contaminated groundwater or soils on the		X	

Potential Causes for Capital Cost Increases		Financially Responsible Agency		
		Lead Agency	Shared	Partner Agency
	construction site and resultant investigation and clean-up.			
13.	Discovery and removal of hazardous waste.		X	
14.	Unanticipated costs as a result of archaeological discoveries.		X	
15.	Unanticipated geotechnical considerations (seismic, boulders, groundwater, unstable soils, liquefaction, etc.) Depends on professional services compliance with industry defined 'standard of care' / condition on appropriate construction management within industry standard/not within industry standard.	To be jointly determined by both Agencies.		
16.	Higher than anticipated requirements for storm water or dewatering treatment and disposal during construction		X	
17.	Chosen site requires extension of conveyance pipelines and outfall over assumed planning level estimates. Based on percentage.		X	
18.	Chosen site or alignment results in unanticipated costs for demolition of existing structures, property acquisition and relocation.		X	
19.	Changed market conditions for labor, materials and equipment and other factors of construction such as fuel cost.		X	
20.	Changed bidding climate.		X	
21.	Project delays and increased costs caused by bid protests.	To be jointly determined by both Agencies. (Example: If protest is due to lead agency not complying with all procurement requirements, then lead agency is responsible. If protest is found to be frivolous then agencies may share cost.		
22.	Project delays associated with material and equipment unavailability (not including sole sourced materials and equipment).		X	
23.	Higher than estimated material and equipment costs due to inflation.		X	

Potential Causes for Capital Cost Increases		Financially Responsible Agency		
		Lead Agency	Shared	Partner Agency
24.	Project cost increases caused by delays in obtaining lead agency sole source materials and equipment.	X		
25.	Project cost increases caused by delays in obtaining partner agency sole source materials and equipment.			X
26.	Project cost increases caused by partner agency delay in providing concurrence on use of project contingency reserve per Table B-2 and Table B-3 of Exhibit B.			X
27.	Unanticipated sales tax increases.		X	
28.	Overrun due to changes that resulted from reliance on data provided by either jurisdiction proved to be inaccurate.	To be jointly determined by both Agencies based on who's Agency provided the information found to be in error.		
29.	Compressed design schedule requires additional internal and consultant staff after baseline schedule and budget are set.	To be jointly determined by both Agencies.		
30.	Increased oversight of high profile projects requires additional staff time to manage. Based on who requests, if only one agency requires then not shared (Example: Added third party oversight).	To be jointly determined by both Agencies.		
31.	Construction claims – basis of the claim used to determine.	To be jointly determined by both Agencies.		
32.	Correction of construction defects.		X	
33.	Correction of design errors and omissions.		X	
34.	Failure to achieve start-up and commissioning of project within agreed budget and time frame.	To be jointly determined by both Agencies.		
35.	Labor issues such as strikes.		X	
36.	Project delays caused by force majeure delays.		X	
37.	Legal costs.	To be jointly determined by both Agencies.		